



Memorandum
From the Office of
Chairwoman Lea Márquez Peterson
Arizona Corporation Commission
1200 W. WASHINGTON
PHOENIX, ARIZONA
(602) 542-3625

TO: Docket Control

DATE: January 13, 2021

FROM: The Office of Chairwoman Lea Márquez Peterson

RE: Docket No. RU-00000A-19-0132

Draft Letter from Chairwoman Lea Márquez Peterson to the President of the Senate, Karen Fann, and Speaker of the House of Representatives, Russell Bowers, regarding the Matter of Proposed Modifications to the Rules Regarding Termination of Service.

Chairwoman Márquez Peterson would welcome the opportunity to send this letter from the Commission as a whole. Commissioners, please indicate by close of business Friday, January 15, 2021, whether you will be joining Chairwoman Márquez Peterson in signing and issuing this letter to the leadership at the Legislature. Please file any requested edits or revisions necessary for your support, in the docket, prior to close of business Friday, January 15, 2021.

Thank you,

/s/ Office of Chairwoman Márquez Peterson

COMMISSIONERS

Lea Márquez Peterson - Chairwoman
Sandra D. Kennedy
Justin Olson
Anna Tovar
Jim O'Connor



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ARIZONA CORPORATION COMMISSION
OFFICE OF CHAIRWOMAN LEA MÁRQUEZ PETERSON

January 13, 2021

The Honorable Karen Fann
President
Arizona Senate
1700 W. Washington St.
Phoenix, AZ 85007

The Honorable Russell Bowers
Speaker
Arizona House of Representatives
1700 W. Washington St.
Phoenix, AZ 85007

**Re: In the matter of Proposed Modifications to the Rules Regarding Termination of Service.
(Docket No. RU-00000A-19-0132)**

Dear President Fann and Speaker Bowers:

I write to inform you that in 2021, the Arizona Corporation Commission will seek to initiate and complete a rulemaking process that will set a standard for the proper temperature or seasonal weather conditions under which Commission-regulated electric utilities will be prohibited from disconnecting residential electric customers.

This issue was made evident after 2018. At that time, a customer of one of Arizona's largest electric utilities passed away after her electricity had been disconnected on a 107-degree day. News of this tragedy shocked Arizonans. After learning of her death in 2019, the Commission acted as quickly as possible to implement emergency measures to protect vulnerable populations, including instituting a blanket moratorium. This moratorium remains in effect and prevents Commission-regulated utilities from shutting-off critical, life-saving electricity between the months of June and October. In addition, the Commission began an initial stakeholder process to develop permanent rules, which will replace the emergency measures and protect customers based on the specific temperature or seasonal weather conditions the Commission deems to be in the public interest.

I believe the State as a whole can accomplish much more when its branches of government work together to achieve common objectives. Therefore, I request your input and partnership, and invite you join us to help the Commission:

- Determine the appropriate temperature or standard that should apply to Commission-regulated electric utilities;
- Determine how broad, or prescriptive, the standard should be; and
- Determine how consistent the standard should be with standards the Legislature has set on other entities and stakeholders, such as residential landlords and electric service providers not regulated by the Commission.



Currently, Commission Staff recommends a temperature standard of 105 degrees. Previously, the Commission allowed a flexible standard, based on National Weather Service data. Going forward, the Commission may want to consider the Residential Landlord-Tenant Act, A.R.S. § 33-1324, ("Landlord to maintain fit premises"), which requires residential landlords to provide reasonable heat and cooling "when required by seasonal weather conditions." In passing the Residential Landlord-Tenant Act, it appears the Legislature chose not to set a specific, temperature-based standard but rather a broader, more flexible policy.

I welcome the opportunity to meet with each of you, either together or separately, to discuss all options. I also welcome the opportunity to invite you to speak at the Commission or send your designated representative to speak on your behalf.

I appreciate the opportunity to work together on this matter and look forward to your response.

Sincerely,

Lea Márquez Peterson
Chairwoman

